VZCZCXRO3270 PP RUEHLH RUEHPW DE RUEHIL #1674/01 2031022 ZNY CCCCC ZZH P 221022Z JUL 09 FM AMEMBASSY ISLAMABAD TO RUEHC/SECSTATE WASHDC PRIORITY 3938 INFO RUEHNE/AMEMBASSY NEW DELHI PRIORITY 5270 RUEAIIA/CIA WASHINGTON DC PRIORITY RHMFISS/FBI WASHINGTON DC PRIORITY RUEKJCS/JOINT STAFF WASHINGTON DC PRIORITY RUMICEA/USCENTCOM INTEL CEN MACDILL AFB FL PRIORITY RUEHBJ/AMEMBASSY BEIJING 5141 RUEHBUL/AMEMBASSY KABUL 0670 RUEHLO/AMEMBASSY LONDON 0967 RUEHKP/AMCONSUL KARACHI 2025 RUEHLH/AMCONSUL LAHORE 7632 RUEHPW/AMCONSUL PESHAWAR 6595

C O N F I D E N T I A L SECTION 01 OF 02 ISLAMABAD 001674

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SUBJECT: PAKISTAN WAITING FOR INDIA TO RESTART DIALOGUE

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Classified By: Anne W. Patterson for reasons 1.4 5, d

- 11. (C) Summary: The GOP urged the GOI to restart Composite Dialogue talks during July 14 and 16 meetings between Foreign Secretaries and Prime Ministers in Egypt. India refused, according to Ministry of Foreign Affairs Director General Afrasiab. The talks were detailed, however; and of merit on their own terms according to the MFA, given the infrequent dialogue between Pakistan and India. Both governments agreed to work jointly on counterterrorism issues; Foreign Ministers are tasked to meet on the margins of the UNGA. Afrasiab said Secretary Clinton was right in her remarks from India -- that the two nations needed most of all to talk. End Summary.
- 12. (C) Pakistan's Ministry of Foreign Affairs Director General for South Asia Afrasiab participated in the July 14 and 16 meetings in Sharm el-Sheikh between Indian and Pakistani Prime Ministers and Foreign Secretaries. He told PolCouns July 21 the talks themselves were positive given the level of distrust between the two governments and infrequency of dialogue since the November terror attacks in Mumbai. However, Afrasiab was skeptical the GOI would take further steps toward restarting the Composite Dialogue absent renewed pressure from the USG or others (possibly to include China).
- 13. (C) The July 14 meeting in Egypt between Foreign Secretaries was the product of the pledge made at Yekaterinburg (ref a) by President Zardari and PM Singh. Earlier invitations from the GOP to host the meeting in Islamabad or to send Pakistani Foreign Secretary Bashir to New Delhi, said Afrasiab, had been declined.
- 14. (C) The Foreign Secretaries "discussed everything," said Afrasiab, although the main focus of their talks was terrorism. Afrasiab expressed deep frustration with the Indian delegation and said Bashir argued the GOP was not engaging in delaying tactics vis a vis the Mumbai terror suspects; Pakistani courts had to be respected and the GOP needed evidence it could use in courts to successfully prosecute the suspects. Bashir informed the Indians the GOP has arrested five of the accused (while eleven have absconded).
- 15. (C) Bashir also had advocated for the restart of the Composite Dialogue, not least as it contains a built-in joint mechanism to discuss terrorism. Bashir had listed the need to make progress on Sir Creek and the Siachen issue as other items meant to be discussed through the Composite Dialogue. On Sir Creek, Afrasiab confirmed that both the GOP and the

GOI have continued to register their positions internationally regarding claims on the Continental Shelf, despite the lack of bilateral discussions on the same.

- 16. (C) The Pakistani delegation had also noted that the GOI had not upheld its pledge to provide information on the February 2007 train bombing in which Pakistan had lost some 50 citizens. Afrasiab said Bashir had attempted to make clear that both Pakistan and India were victims of terrorism. The GOP had briefed on its military operations in Swat to fight terrorism in Pakistan, and had suggested the GOI might be appreciative of these actions, but it was not. Indian Foreign Secretary Menon said the Pakistan military's action in Swat was "unprecedented, but insufficient." Menon added he was "not in a position to renew the Composite Dialogue." "We were shocked," said Arfasiab.
- 17. (C) Taking stock of the meeting, however, Afrasiab said "talking is important and better than not talking." He noted the Secretary had made similar appeals for dialogue between India and Pakistan during her visit to India. The U.S. had clearly played a key role in making the meetings possible, for which the GOP is grateful, said Afrasiab. Any next steps -- meaning the restart of the Composite Dialogue, were the GOI's to make. Pakistan is ready to restart the Composite Dialogue at any time.
- 18. (C) The GOP's greatest fear, said Afrasiab, is of another terror attack on Indian soil. Bashir asked Menon for information the GOI might have on such plots, pledging the GOP would share its own information and work to stop any such

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- plot. "You already have it," said Menon, a reply Afrasiab said perplexed the Pakistani delegation (as Bashir, according to Afrasiab, has no such information and had met with other Pakistani agencies and ministries prior to the meeting in Egypt). Bashir had told Menon of Indian (RAW) involvement in FATA and Balochistan (here Afrasiab digressed, stating RAW was capable of creating a terror attack within India and foisting the blame on Pakistan). Menon had replied, "we are not stupid; why should we do it?"
- 19. (C) The subsequent meeting between Prime Ministers had produced a pledge that their respective Foreign Ministers would meet on the margins of the UNGA as well as that Foreign Secretaries would meet "as required." Afrasiab admitted the meeting was marred by concerns about the possible withdrawal of appeals against Hafiz Saeed. PM Gilani had urged India to resume the Composite Dialogue; the GOI had not agreed. Both sides had agreed to work on counterterrorism issues; this was a positive outcome from the GOP point of view, said Afrasiab. He ducked a question as to whether agreement to discuss terrorism was, in effect, a carve-out from the broader agenda established in the Composite Dialogue (the Pakistani press suggested this was the case and we have heard previously Foreign Minister Qureshi had sought to avoid such an outcome.)
- 110. (C) In a diatribe on Indian interference in its neighbors' affairs, Afrasiab said Pakistan was the most important country for India. It was in Pakistan's interest to "see India rise," he said, but it must do so while inspiring confidence in its neighbors. He hinted that even big-neighbor China was increasingly taking this view.
- ¶11. (C) Comment: The MFA tends to be among the more troglodytic of Pakistan's government institutions particularly on matters related to India. So the somewhat negative spin in Afrasiab's account of the Sharm el-Sheikh meeting is no real surprise. Indeed, initial reports of the discussions between the two parties when the respective Foreign Secretaries were in the lead were quite downbeat until the Prime Ministers engaged and managed to put a more positive gloss on the proceedings. Nevertheless, it does appear to us that some progress in normalizing relations between the two parties was achieved at Sharm and the

official Pakistani reaction to the outcome and the joint communiqu was quite positive until Manmohan Singh's explanation of the Indian position in parliament tempered the GOP's enthusiasm. We need to remain focused on the positive elements of the talks and continue the long, slow process of bringing the two sides together in a more meaningful, substantive dialogue. Prime Minister Gilani, in his July 22 Islamabad conversation with SRAP Holbrooke, was positive about the meeting in Sharm el-Sheikh and the long-term benefits such meetings engender. PATTERSON